

## **BlackRock Global Funds - European Equity Income Fund (the “ILP Sub-Fund”)**

**This Fund Summary should be read in conjunction with the Product Summary**

### **Structure of ILP Sub-Fund**

The ILP Sub-Fund is an open-ended feeder fund and invests all or substantially all of its assets into the underlying BlackRock Global Funds - European Equity Income Fund A2 USD-H (the “Underlying Fund”), a sub-fund of BlackRock Global Funds. BlackRock Global Funds is an umbrella type open-ended investment company, with variable capital and segregated liability between sub-funds, incorporated with limited liability under the laws of Luxembourg.

BlackRock Global Funds is a société anonyme and qualifies as a société d’investissement à capital variable under Chapter 15 of the Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended, modified or supplemented from time to time (the “2010 Law”).

The units in the ILP Sub-Fund are not classified as Excluded Investment Products.

### **Information on the Manager**

BlackRock (Luxembourg) S.A. has been appointed to act as the management company (the “Management Company”) for BlackRock Global Funds. The Management Company is a wholly owned subsidiary within the BlackRock Group and is regulated by the Luxembourg Commission de Surveillance du Secteur Financier (the “CSSF”). The Management Company has managed collective investment schemes or discretionary funds since 1988. Investors should note that any past performance of the Management Company is not indicative of the future performance of the Management Company.

### **Other Parties**

The Management Company has delegated its investment management functions of the Underlying Fund to BlackRock Investment Management (UK) Limited (the “Investment Adviser”). The Investment Adviser is domiciled in England and Wales and regulated by the Financial Conduct Authority and has managed collective investment schemes or discretionary funds since 1982.

The auditor of the ILP Sub-Fund is PricewaterhouseCoopers LLP.

### **Investment Objective, Focus & Approach**

The investment objective of the ILP Sub-Fund is achieved through investing all or substantially all of its assets into the Underlying Fund. The investment objective of the Underlying Fund is to seek an above average income from its equity investments without sacrificing long term capital growth. The Underlying Fund invests at least 70% of its total assets in equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, Europe.

The Underlying Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

### **Risks**

In addition to the risks stated in the Product Summary, the following are risks specific to the Underlying Fund:

#### ***Currency Risks***

Foreign currency exchange rate movements are likely to influence the returns to investors in Singapore, hence investors may be exposed to exchange rate risks.

***Foreign Investment Restrictions Risks***

Some countries prohibit or restrict investment, or the repatriation of income, capital or the proceeds from sale of securities. The Underlying Fund may incur higher costs investing in these countries. Such restrictions may delay the investment or repatriation of capital of the Underlying Fund.

***Equity Risk***

The values of equities fluctuate daily and can be influenced by many factors including issuer-specific factors and broader economic and political developments.

***Liquidity Risks***

Redemptions may be suspended in certain circumstances detailed in the Prospectus.

***Capital Growth Risks***

The Underlying Fund pursues an investment strategy in order to generate income and may pay dividends from capital or net gains. Such investment strategies and/or dividend policies may reduce capital and the potential for capital growth and future income of the Underlying Fund.

***Derivatives Risks***

The use of derivatives may expose the Underlying Fund to a higher degree of risk. Derivative contracts can be highly volatile and a relatively small market movement may have a potentially larger impact on derivatives than on standard bonds or equities. Leveraged derivative positions can hence increase the Underlying Fund's volatility. The Underlying Fund may sustain loss as a result of the failure of a derivatives counterparty to comply with the terms of the derivatives contract.

***Securities Lending Risks***

The Underlying Fund may engage in securities lending. As such, the Underlying Fund will have a credit risk exposure to the counterparties to any securities lending contract. The Underlying Fund's investments can be lent to counterparties over a period of time. A default by the counterparty combined with a fall in the value of the collateral below that of the value of the securities lent may result in a reduction in the value of the Underlying Fund.

***Smaller Capitalisation Companies Risks***

The securities of smaller companies may be subject to more abrupt or erratic market movements than larger, more established companies or the market average in general. These companies may have limited product lines, markets or financial resources, or they may be dependent on a limited management group. Full development of those companies takes time. In addition, many small company stocks trade less frequently and in smaller volume, and may be subject to more abrupt or erratic price movements than stocks of large companies. The securities of small companies may also be more sensitive to market changes than the securities of large companies. These factors may result in above-average fluctuations in the Net Asset Value of the Underlying Fund's shares.

**Fees and Charges**

In addition to the fees and charges shown in the Product Summary, the following fees are also payable through deduction from the asset value of the Underlying Fund.

<b>Fees Payable by the Underlying Fund</b>	
Annual Management Fee	1.50% p.a.
Depository Fee and other Fees	Annual custody safekeeping fees range from 0.0024% to 0.45% p.a. and the transaction fees range from US\$5.5 to US\$124 per transaction.
Administration Fee	Not exceeding 0.25% p.a.
Securities Lending Fees	The securities lending agent, BlackRock Advisors (UK) Limited, receives remuneration in relation to its activities. Such remuneration shall not exceed 37.5% of the net revenue from the activities, with all operational costs borne out of BlackRock's share.

**Past Performance<sup>1</sup> of the Underlying Fund:** as at 31 October 2018

**NOTE: PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE.**

**Cumulative Performance of the Underlying Fund**

<b>Underlying Fund / Benchmark</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception (17 Dec 2014)</b>
BlackRock Global Funds - European Equity Income Fund A2 USD-H /	-7.40%	0.10%	NA	NA	17.60%
<i>MSCI Europe Index</i>	-8.30%	7.70%	NA	NA	11.10%

**Annualised Performance of the Underlying Fund**

<b>Underlying Fund / Benchmark</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception (17 Dec 2014)</b>
BlackRock Global Funds - European Equity Income Fund A2 USD-H /	-7.40%	0.00%	NA	NA	4.30%
<i>MSCI Europe Index</i>	-8.30%	2.50%	NA	NA	2.80%

*Source: Blackrock, gross income reinvested, NAV-NAV basis in USD terms.*

<sup>1</sup> Performance shown in fund currency and calculated before sales charges are deducted. Fees and charges payable through deduction of premium or cancellation of units are excluded in deriving the performance. Performance is calculated on the assumption that all dividends and distributions are reinvested, taking into account all charges which would have been payable upon such reinvestment.

**Expense Ratio and Turnover Ratio of the Underlying Fund**

<b>Underlying Fund</b>	<b>Expense Ratio</b>	<b>Turnover Ratio</b>
BlackRock Global Funds - European Equity Income Fund A2 USD-H	1.82%	139.80%

The expense ratio and the turnover ratio stated in the table above is as at 31 October 2018.

The expense ratio is calculated in accordance with the Investment Management Association of Singapore guidelines on the disclosure of expense ratios. It does not include (where applicable) brokerage and other transaction costs, performance fee, interest expense, foreign exchange gains /losses, front or back-end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. It is calculated by dividing expenses by daily average NAV, and multiplied by the appropriate factor to annualise the figure and is disclosed as a percentage.

The turnover ratio is calculated based on the lower of purchases and sales expressed as a percentage of the daily average net asset value.

**Soft Dollar Commissions or Arrangements**

Pursuant to EU Directive 2014/65/EU on markets in financial instruments referred to as "MiFID II", BlackRock Group will no longer pay for external research via client trading commissions for its MiFID II-impacted funds ("MIFID II-impacted funds"). The BlackRock Group shall meet such research costs out of its own resources. MiFID II-impacted funds are those which have appointed a BlackRock Group MiFID firm as investment adviser or where investment management has been delegated by such firm to an overseas affiliate.

Funds which have directly appointed an overseas affiliate of the BlackRock Group within a third country (i.e. outside the European Union) to perform portfolio management are not in-scope for the purposes of MiFID II and will be subject to the local laws and market practices governing external research in the applicable jurisdiction of the relevant affiliate. This means that costs

of external research may continue to be met out of the assets of such funds. A list of such funds is available on request from the Management Company.

Where investments are made in non-BlackRock Group funds, they will continue to be subject to the external manager's approach to paying for external research in each case. This approach may be different from that of the BlackRock Group and may include the collection of a research charge alongside trading commissions in accordance with applicable laws and market practice. This means that the costs of external research may continue to be met out of the assets within the Underlying fund.

Where permitted by applicable regulation (excluding, for the avoidance of doubt, any Funds which are in scope for MiFID II), certain BlackRock Group companies acting as investment adviser to the Underlying Fund may accept commissions generated when trading equities with certain brokers in certain jurisdictions. Commissions may be reallocated to purchase eligible research services. Such arrangements may benefit one Fund over another because research can be used for a broader range of clients than just those whose trading funded it. BlackRock Group has a Use of Commissions Policy designed to ensure only eligible services are purchased and excess commissions are reallocated to an eligible service provider where appropriate.

To the extent that investment advisers within the BlackRock Group are permitted to receive trading commissions or soft dollar commissions, with respect to the Underlying Fund (or portion of the Underlying Fund) for which they provide investment management and advice, they may select brokers (including, without limitation, brokers who are affiliated with the BlackRock Group or PNC Group) that furnish the BlackRock Group, directly or through third-party or correspondent relationships, with research or execution services which provide, in BlackRock Group's view, lawful and appropriate assistance to each applicable BlackRock Group company in the investment decision-making or trade execution processes and the nature of which is that their provision can reasonably be expected to benefit the Underlying Fund as a whole and may contribute to an improvement in the Underlying Funds' performance. Such research or execution services may include, without limitation and to the extent permitted by applicable law: research reports on companies, industries and securities; economic and financial information and analysis; and quantitative analytical software. Research or execution services obtained in this manner may be used in servicing not only the account from which commissions were used to pay for the services, but also other BlackRock Group client accounts. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods and services, general office equipment, computer hardware or premises, membership fees, employee salaries or direct money payments. To the extent that BlackRock uses its clients' commission dollars to obtain research or execution services, BlackRock Group companies will not have to pay for those products and services themselves. BlackRock Group companies may receive research or execution services that are bundled with the trade execution, clearing and/or settlement services provided by a particular broker-dealer. To the extent that each BlackRock Group company receives research or execution services on this basis, many of the same potential conflicts related to receipt of these services through third party arrangements exist. For example, the research effectively will be paid by client commissions that also will be used to pay for the execution, clearing and settlement services provided by the broker-dealer and will not be paid by that BlackRock Group company.

Each BlackRock Group company may endeavour, subject to best execution, to execute trades through brokers who, pursuant to such arrangements, provide research or execution services in order to ensure the continued receipt of research or execution services that BlackRock Group company believes are useful in their investment decision-making or trade execution process.

Each BlackRock Group company may pay, or be deemed to have paid, commission rates higher than it could have otherwise paid in order to obtain research or execution services if that BlackRock Group company determines in good faith that the commission paid is reasonable in relation to the value of the research or execution services provided. BlackRock Group believes that using commission dollars to obtain the research or execution services enhances its investment research and trading processes, thereby increasing the prospect for higher investment returns.

BlackRock Group may from time to time choose to alter or choose not to engage in the above described arrangements to varying degrees, without notice to BlackRock Group clients, to the extent permitted by applicable law.

### **Conflicts of Interest**

The Management Company and other BlackRock Group companies undertake business for other clients. BlackRock Group companies, their employees and their other clients face conflicts with the interests of the Management Company and its clients. BlackRock maintains a Conflicts of Interest Policy. It is not always possible for the risk of detriment to a client's interests to be entirely mitigated such that, on every transaction when acting for clients, a risk of detriment to their interests does not remain.



The types of conflict scenario giving rise to risks which BlackRock considers it cannot with reasonable confidence mitigate are disclosed in Appendix C para 27 to 29 of the BlackRock Global Funds Luxembourg Prospectus.

### **Reports**

The financial year-end of the ILP Sub-Fund is 30 June. Aviva Ltd will make available semi-annual report and annual audited report of the ILP Sub-Fund within 2 months and 3 months respectively from the relevant reporting periods.

In addition, Aviva Ltd will make available financial reports of the Underlying Fund as they become available from the Investment Manager. Policyholders can access these reports via the Aviva website at [www.aviva.com.sg](http://www.aviva.com.sg).

### **Specialised ILP Sub-Fund**

The ILP Sub-Fund is not a specialised sub-fund as set out in MAS Notice 307 on Investment-Linked Policies issued by the Monetary Authority of Singapore.